#### 244.305

- (A) During reviews of subcontracts submitted under advance notification and consent (FAR subpart 44.2); or
- (B) From information provided by Government personnel.

[56 FR 36447, July 31, 1991, as amended at 61 FR 50455, Sept. 26, 1996]

# 244.305 Granting, withholding, or withdrawing approval.

# 244.305-70 Granting, withholding, or withdrawing approval.

Use this subsection instead of FAR 44.305–2(c) and 44.305–3(b).

- (a) At the completion of the in-plant portion of the review, the ACO shall hold an exit conference with the contractor. At the conference, the ACO should—
- (1) Present the review team's recommendations, signed by the ACO;
- (2) Request the contractor submit its plan for correcting deficiencies or making improvements within 15 days; and
- (3) Not comment on the pending or planned decision to grant or withhold approval of the contractor's purchasing system.
- (b) The PSA should submit the complete report to the ACO, or any department or agency established review board, within ten days after receipt of the contractor's response under paragraph (a)(2) of this subsection.
- (c) The ACO should completely review the report and consider the contractor's response before making a decision on granting, withholding, or withdrawing purchasing system approval. The ACO shall notify the contractor of the decision within ten days after receipt of the report with a copy of the decision to the PSA and the contracting office, when requested.
- (d) When a contractor advises that it has corrected deficiencies that led the ACO to withhold or withdraw the purchasing system approval, the ACO—
- (1) Shall request the PSA to verify that the contractor has—
- (i) Corrected the deficiencies; and
- (ii) Implemented any other ACO recommendations.
- (2) Should ask for a review of purchasing policies and procedures issued since the last review.

# Subpart 244.4—Subcontracts for Commercial Items and Commercial Components

#### 244.402 Policy requirements.

(a) Contractors shall determine whether a particular subcontract item meets the definition of a commercial item. This requirement does not affect the contracting officer's responsibilities or determinations made under FAR 15.403–1(c)(3). Contractors are expected to exercise reasonable business judgment in making such determinations, consistent with the guidelines for conducting market research in FAR part 10.

[67 FR 38023, May 31, 2002]

#### 244.403 Contract clause.

Use the clause at 252.244–7000, Subcontracts for Commercial Items and Commercial Components (DoD contracts), in solicitations and contracts for supplies or services other than commercial items, that contain any of the following clauses: 252.225–7014 Preference for Domestic Specialty Metals, Alternate I, 252.247–7023 Transportation of Supplies by Sea, and 252.247–7024 Notification of Transportation of Supplies by Sea.

 $[65\;\mathrm{FR}\;14401,\,\mathrm{Mar}.\;16,\,2000]$ 

# PART 245—GOVERNMENT PROPERTY

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AUTHORITY: 41 U.S.C. 421 and 48 CFR chapter 1

SOURCE: 56 FR 36448, July 31, 1991, unless otherwise noted.

### Subpart 245.1—General

# 245.104 Review and correction of contractor's property control systems.

(a) The property administrator shall perform property administration in accordance with DoD 4161.2–M, Manual for the Performance of Contract Property Administration.

[56 FR 36448, July 31, 1991, as amended at 56 FR 67220, Dec. 30, 1991]

## Subpart 245.3—Providing Government Property to Contractors

#### 245.301 Definitions.

Agency-peculiar property, as used in DoD, means military property and includes end items and integral components of military weapons systems, along with the related peculiar support equipment which is not readily available as a commercial item.

Facilities project means a Government project to provide, modernize or replace facilities for use by a contractor in performing a Government contract or subcontract.

Industrial plant equipment (IPE) means plant equipment in Federal stock group 34 with an acquisition cost of \$15,000 or more used for cutting, abrading, grinding, shaping, forming, joining, heating, treating, or otherwise

altering the physical properties of materials, components or end items entailed in manufacturing, maintenance, supply, processing, assembly, or research and development operations. IPE is further identified in AR 700–43/NAVSUP PUB 5009/AFM 78–9/DLAM 4215.1, Management of Defense-Owned Industrial Plant Equipment.

Mapping, charting, and geodesy (MC&G) property is defined in the clause at 252.245-7000, Government Furnished Mapping, Charting and Geodesy Property.

Other plant equipment (OPE) means plant equipment regardless of dollar value, used in or in conjunction with the manufacture of components or end items relative to maintenance, supply, processing, assembly or research and development operations. OPE excludes equipment categorized as IPE.

Provide means either to furnish, as in Government-furnished property, or to acquire, as in contractor-acquired property.

#### 245.302 Providing facilities.

#### 245.302-1 Policy.

(a)(4)(A) Comply with DoD Directive 4275.5, Acquisition and Management of Industrial Resources, in processing a request for facilities. Submit requests for approval of facilities projects—

- (1) To the Secretaries of the Military Departments and the directors of defense agencies for Government-owned facilities projects if the project—
- (i) Is a research and developmentfunded effort not exceeding \$3 million per fiscal year; or
- (ii) Is funded from procurement appropriations, approved on a location basis, and does not exceed \$5 million for all property efforts during one fiscal year; or
- (iii) Is in support of a major system or subsystem (including ammunition-related projects) and the total investment will not exceed \$25 million during the projected acquisition or maintenance effort.
- (2) To the Office of the Deputy Under Secretary of Defense (Industrial Affairs and Installations) for projects exceeding the limitations in paragraph (a)(4)(A)(1) of this subsection.